

LEGISLATIVE COUNCIL
Question on notice

Tuesday, 18 November 2014

2194. Hon Robin Chapple to the Minister for Agriculture and Food representing the Minister for Mines and Petroleum.

I refer to recent reports of the dire financial state of the mining company Pluton Resources, and I ask:

- (a) is the Minister aware of the Cockatoo Island mining project which lies in a major Humpback whale migration and nursery area, and is in close proximity to the Government's new Kimberley marine parks;
 - (b) has Department of Mines and Petroleum (DMP) inspected the Pluton Resources operation on Cockatoo Island at any time in the past two years;
 - (c) if no to (b), when was the most recent compliance inspection of the mine;
 - (d) have any compliance issues in relation to the Cockatoo Island mine been identified and/or investigated by DMP in the past two years;
 - (e) does DMP have any concerns about the mining operation and its impacts in this period of the company's financial crisis;
 - (f) does DMP hold sufficient closure and rehabilitation funds to ensure that if the company or its mining operation collapses, there will not be significant environmental risks, social risks and costs, including impacts on surrounding Indigenous communities, cultural values and food sources;
 - (g) is it correct that DMP or the Government have given, or are considering giving, the company royalty relief to keep the mining operation afloat;
 - (h) is this standard practice for cash-strapped miners;
 - (i) given the company's financial difficulties, what is the current status of Pluton Resources proposal for mining on Irvine Island; and
 - (j) did Pluton Resources make a levy payment to the Western Australian rehabilitation fund in 2013, as previously reported, and if so, how much was paid?
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Answer

The Department of Mines and Petroleum (DMP) advises:

- (a) The Minister is aware of the location of the Cockatoo Island mining project.
- (b) Inspectors from the Resources Safety Division of DMP have inspected Cockatoo Island six times within the last two years.
- (c) Not applicable
- (d) DMP has issued 10 improvement notices and one prohibition notice in relation to Cockatoo Island operations in the last two years.
- (e) Each company must comply with safety and environmental requirements under Western Australian legislation, regardless of its financial position.
- (f) The Mining Rehabilitation Fund has a current balance of over \$32 million, however mining operators remain legally responsible for meeting their environmental obligations. The Fund can be accessed as a final recourse to ensure a site is rehabilitated and does not pose a safety or environmental risk.
- (g) DMP does not release company specific royalty information. All eligible small iron ore miners may apply for the financial assistance package which was announced by the State Government on 19 December 2014. Applications for assistance are assessed on a case-by-case basis.
- (h) See response to (g).
- (i) DMP has not received a mining proposal from Pluton Resources to mine on Irvine Island.
- (j) Yes. The total Mining Rehabilitation Fund levy paid by Pluton Resources in 2013 was \$28 149.40.

